

Centrally sponsored "Integrated Scheme of Oilseeds, Pulses, Oilpalm and Maize (ISOPOM)" is under implementation from 1st April 2004 to increase production of pulses, among others.

Agricultural crisis

1796. SHRI JANARDHANA POOJARY:
SHRI MOINUL HASSAN:

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether it is a fact that there is an agricultural crisis in the country;
- (b) if so, the details thereof and the reasons therefor alongwith the effect of globalisation in agrarian crisis;
- (c) whether high rate of interest and indebttness are the primary cause of suicide among the farmers;
- (d) if so, the measures proposed to be taken by Government to alleviate the problems being faced by the farmers;
- (e) whether there is some proposal to bring private financiers under some regulation and to revive cooperative system; and
- (e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA): (a) and (b) In the recent times, there has been a deceleration in the growth of agriculture. This is mainly because of drought and other natural calamities as well as problems like inadequate investment, low irrigated area, inadequate flow of credit, low productivity, and inadequate marketing infrastructure. These problems have caused hardships to the farmers in some areas of the country.

India has a surplus of exports over imports in agriculture trade. Under the existing WTO rules, India can, *inter alia*, protect its farmers by raising the applied levels of customs duties within our WTO bindings. This option has been exercised by the country, in recent past, on a number of products. The WTO rules also permit imposition of safeguard duties, over and above, the bound level of duties, in cases import surges causing serious injury to domestic producers.

(c) and (d) Indebtedness due to high rate interest loans is a major cause for suicide by farmers. The Government of India has taken several initiatives in this regard. A comprehensive credit policy was announced by the Government on 18th June, 2004 containing measures for doubling of agricultural credit flow in next three years and provision of debt relief to farmers.

To reduce the interest burden of farmers, the Government has decided to provide short term credit to the farmers at 7%, with an upper limit of Rs. 3 lakh on the principal amount. Besides, an Expert Group has been constituted under the Chairmanship of Prof. R. Radhakrishna, Director, Indira Gandhi Institute of Development Research, Mumbai, to look into the problems of agricultural indebtedness in its totality and suggest measures to provide relief to farmers across the country.

The Government of India has recently approved a rehabilitation package for 31 suicide prone Districts in the four States of Andhra Pradesh, Maharashtra, Karnataka, and Kerala, which, *inter alia*, contains provision for improved supply of institutional credit, debt restructuring and waiver of overdue interest.

(e) and (f) A Technical Group has been constituted consisting of Reserve Bank of India and State Government representatives to, *inter alia*, study/ review legal framework and enforcement mechanism for money lending and similar activities in different states in the country and make recommendations to the State Governments to improve the legal and enforcement machinery for money lending and similar activity.

Government has approved a package for revival of the Short-term Rural Cooperative Credit Structure involving financial assistance of Rs. 13,596 crore.

Wheat production

†1797. SHRI BALAVANT ALIAS BAL APTE:
SHRI SHREEGOPAL VYAS:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that there has been a perpetual shortfall in wheat production in the country during last many years;

†Original notice of the question was received in Hindi.